GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:195
ANSWERED ON:29.07.2016
TARC Report
Singh Shri Dushyant

Will the Minister of FINANCE be pleased to state:

(a) the details of the major recommendations made in the first report of the Tax Administration Reforms Commission (TARC);
(b) whether the Government is implementing these recommendations, if so, the details thereof and if not, the reasons therefor;
(c) whether the Government has created two bodies, a Tax Policy Research Unit(TPRU) and a Tax Policy Council to effectively handle tax policy and related legislation; and
(d) if so, the details thereof along with the roles of both the bodies?

Answer

MINISTER FOR FINANCE
(SHRI ARUN JAITLEY)

A statement is laid on the Table of the House.

Statement Annexed with the Lok Sabha Starred Question No.195 for 29.07.2016 by Shri Dushyant Singh on TARC Report
(a) The First TARC report has six chapters - Customer Focus, Structure and Governance, Peoples Function, Dispute Management, Key Internal Processes, Information and Communication Technology. Summary of the recommendation of the Tax Administration Reform Commission of First report are given below.

Chapter	Chapter name	No. of recommendations
II	Customer Focus	11
III	Structure and Governance	15
IV	Peoples Function	26
V	Dispute Management	19
VI	Key internal Processes	41
VII	Information and Communication Technology (ICT)	24

Details are available at the website of Ministry of Finance www.finmin.nic.in .

(b) Yes, Madam. The Government is implementing these recommendations The Status Summary of other Recommendations of TARC's First Report is given below :-

	CBDT	CBEC
Total Recommendations	132	136
Accepted and Implemented	29	36
Accepted and under Implementation	0	54
Under Consideration	103	46

Details of the recommendations implemented are available on the website of Ministry of Finance (www.finmin.nic.in) and Department of Revenue (www.dor.gov.in)

(c) Yes, Madam. The Government has created two bodies, a Tax Policy Research Unit(TPRU) and a Tax Policy Council.

(d) The Government has created two bodies, a Tax Policy Research Unit(TPRU) and a Tax Policy Council to effectively handle tax policy and related legislation. The Tax Policy Council(TPC) under the Chairmanship of Hon'ble Finance Minister has been formed with an aim to having a consistent and coherent approach to the issue of tax policy and having regard for need to have an inter disciplinary approach. The Tax Policy Council will look into all research findings of the Tax Policy Research Unit(TPRU) and suggest broad policy measures for taxation. The Council will be advisory in nature and will help the Government in identifying key policy decisions for taxation. Chairperson, CBDT and Chairperson, CBEC are the Special Invitees in the Tax Policy Council. The Government has created Tax Policy Research Unit(TPRU) under the direct supervision of Revenue Secretary to carry out the research on the basis of empirical data. The TPRU will carry out studies on various topics of fiscal and tax policies referred to it by CBDT and CBEC and will provide independent analysis on such topics, will prepare and disseminate policy papers and background papers on various tax policy issues, will assist TPC in taking appropriate tax policy decisions and liaise with State Commercial Tax Departments. The Tax Policy Research Unit shall comprise of officers from the Central Board of Direct Taxes and Central Board of Excise and Customs as well as economists, statisticians, operational researchers, legal experts. Member (P&V), CBDT and Member (Budget), CBEC will be the link officers between TPRU and CBDT and CBEC. The unit will be headed by an officer of the level of Chief Commissioner at functional level alternatively from CBDT and CBEC for a fixed tenure, who will directly report to the Revenue Secretary.